



Hanging Gardens  
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## Re: Hanging Gardens - Business Case

Many people believe that vertical gardens are too expensive and that may well have been the case 5 years ago, but innovative solutions have emerged and this type of landscaping is becoming more and more cost effective each year.

At Hanging Gardens we strive to make vertical gardens affordable and cost effective, so we decided to do a bit of research on business cases around the world. The results were surprising as there are now so many business cases demonstrating the cost benefits, that there is no point in repeating them here.



So what we have done is a very simple cost benefit analysis, over three years, for a large Hanging Garden roughly the size of the one shown above at New World Remuera, which is in full sun and where we capture the rainwater off the roof to drip irrigate the garden. This garden uses our unique NZ designed and made products, which are soil based and not hydroponic, and as we have predominantly use NZ native plants, this has a very low maintenance and operating cost.

You can substitute any revenue benefit that is applicable to your business, but if you can increase your revenue or save just \$1,000 per month, your payback period is 3 years. We think that is a pretty compelling business case!

<i>Simple Cost Benefit</i>	Y0	Y1	Y2	Y3
<b>Revenue (\$1000 per month)</b>	<b>\$0</b>	<b>\$12,000</b>	<b>\$12,000</b>	<b>\$12,000</b>
Increased customers		\$12,000	\$12,000	\$12,000
Increased productivity				
Energy saving				
Increased land usage				
<b>Expenses</b>	<b>\$30,500</b>	<b>\$250</b>	<b>\$250</b>	<b>\$250</b>
<b>Expense - One time cost</b>	<b>\$30,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Garden Installation	\$30,000			
Plumbing & Electrical	\$500			
<b>Expense - Operating Cost</b>	<b>\$0</b>	<b>\$250</b>	<b>\$250</b>	<b>\$250</b>
Maintenance		\$250	\$250	\$250
<b>Net Cost</b>	<b>-\$30,500</b>	<b>\$11,750</b>	<b>\$11,750</b>	<b>\$11,750</b>
<b>Return on Investment</b>			<b>-16%</b>	<b>8%</b>